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Update of the eleventh annual progress report on the implementation of the capital master plan

Report of the Secretary-General

Summary

The present report is an addendum to the eleventh annual progress report on the implementation of the capital master plan (A/68/352), and is submitted pursuant to the requests contained in paragraphs 7, 12 and portions of paragraph 20 of section IV of General Assembly resolution 68/247.

The present addendum provides an update on the status of the project since the issuance of the eleventh annual progress report in August 2013. The request for updated information pertaining to the associated costs for the period from 2008 to 2013, as contained in paragraph 20 of section IV of General Assembly resolution 68/247, is addressed in a separate addendum (A/68/352/Add.3).

The actions to be taken by the General Assembly are set out in section VII of the present addendum.

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I. Overview

1. In December 2013, following consideration by the General Assembly of the eleventh annual progress report of the Secretary-General on the implementation of the capital master plan (A/68/352), the General Assembly decided to request that updated information be provided during the resumed session. The information requests were contained in paragraphs 7, 12 and 20 of section IV of Assembly resolution 68/247 and pertained to the pending security concerns in relation to the Dag Hammarskjöld Library and the South Annex Buildings, updates on the projected final cost to completion, and the status of contributions. The request contained in paragraph 20, pertaining to the final expenditure for associated costs for the period from 2008 to 2013, is included in a separate addendum (A/68/352/Add.3).

2. Since the issuance of the eleventh annual progress report in August 2013, renovation work on remaining portions of the project has proceeded quickly and on schedule, and comprises three main areas: (a) the General Assembly Building; (b) the basements; and (c) First Avenue security enhancements, including a line of protective bollards and a new screening building at the pedestrian gate on First Avenue between 42nd and 43rd Streets.

3. Renovation work has not started on the 42nd and 48th Street entrances to the Service Drive owing to permit issues with the host city.

4. As at 31 December 2013, the projected cost to complete the capital master plan project increased by $223,000 to $2,214.9 million[1] owing to the voluntary contribution recently received by the capital master plan project, because participation in the donations programme entails, in most cases, modest increases in scope. This compares to the projected cost to complete of $2,214.7 million as at June 2013 (see table 1 below).

5. The overall project funding and budget increased by $159.6 million over the figure reported to the General Assembly for the period ending on 30 June 2013 because of application of the interest income and the working capital reserve funds in the full amount of $159.4 million, as authorized by the Assembly in December 2013 (resolution A/68/247), and increase in the donations by approximately $223,000. The project shortfall has been eliminated, taking into account the fact that the Dag Hammarskjöld Library and the South Annex Buildings cannot be renovated owing to security considerations, which have been explained to the General Assembly in prior annual progress reports. If all available funds are expended, all capital master plan work will be accomplished within the available funds, with the exception of the suspended work on the Dag Hammarskjöld Library and the South Annex Buildings.

[1] Inclusive of the scope funded via voluntary contributions ($113.9 million).

Table 1
Estimated project cost to complete the capital master plan compared to funding
(Thousands of United States dollars)

	As at June 2013	*As at December 2013*	*Variance*
Construction	1 087 398	1 087 578	180
Use of construction contingency	132 552	138 981	6 429
Professional fees and management costs	368 831	368 874	43
Contingency and escalation	14 150	7 721	(6 429)
Subtotal, construction	**1 602 931**	**1 603 154**	**223**
Swing space	267 614	267 614	–
Leases from 1 October 2012	25 000	25 000	–
Use of office swing space contingency	24 648	24 648	–
Library swing space	2 714	2 714	–
Conference swing space	150 475	150 475	–
Use of conference swing space contingency	41 368	41 368	–
Subtotal, swing space	**511 819**	**511 819**	**–**
Total, project cost including the enhanced security upgrade	**2 114 750**	**2 114 973**	**223**
Funding			
Project budget and donations	1 890 389	1 890 612	223
Application of the interest income and the working capital reserve	–	159 400	159 400
Enhanced security upgrade sub-project funded by the host country	100 000	100 000	–
	1 990 389	**2 150 012**	
Unfunded suspended scope	224 361	64 961	(159 400)
	2 214 750	**2 214 973**	**223**

6. The present report includes, as requested by the General Assembly, additional options for housing the functions of the Dag Hammarskjöld Library and South Annex Buildings, taking into consideration the pending security concerns that have been previously reported and briefed to the General Assembly.

II. Progress since the eleventh annual progress report

Progress on renovation work

7. Renovation work on the General Assembly Building continued between August 2013 and December 2013 on schedule, and included abatement of asbestos,

demolition and removal of walls and obsolete systems and materials, removal of the curtain wall, and other scheduled tasks.

8. Work in the basements also continued during this period. As stated in the eleventh annual progress report, significant portions of the renovation work in the basements were completed in 2012. However, the Headquarters incurred damage in the basements during storm Sandy in late October 2012, which required replacement of major infrastructure, much of it related to the newly installed chillers, that was inundated by the storm surge. Additional work was undertaken and is ongoing to mitigate the effects of future flooding by raising key infrastructure to above the recalculated 100-year flood plain. Although the chillers must stay on the lowest levels of the basements, the electrical switchgear and other chiller controls are being moved up out of the reach of future storms. The cost of these enhancements is being funded by the regular budget, as the work is not claimable under the Organization's insurance policies.

9. Work also continued during this period on the security enhancements along First Avenue, namely, the installation of a line of bollards adjacent to the western perimeter of the Headquarters compound, and the construction of a new screening building at the pedestrian entrance between 42nd and 43rd Streets. Both of these activities are funded from the voluntary contribution from the host country.

Relocations from swing space and lease terminations

10. Subsequent to the issuance of the eleventh annual progress report, the Organization vacated off-campus swing space at 380 Madison Avenue and the building at 730 Third Avenue, as previously scheduled. As reported in that progress report (A/68/352, para. 25), the Albano Building lease continues until the end of July 2017, at which time it will be either extended or terminated, based on the longer-term office requirements strategy, and the lease of the United Nations Federal Credit Union Building has been retained for the functions of the Office of Information and Communications Technology and the Office of Human Resources Management.

Project schedule

11. The capital master plan has maintained the overall schedule reported in table 2 of the eleventh annual progress report (A/68/352), updated in table 2 below. The Secretariat and Conference Buildings have been completed, and the General Assembly Building is projected to be completed in time for the general debate of 2014. Construction activity for the project, including remaining work relating to the basements and security on First Avenue and on 48th Street, is set to be completed within 2014; however, continued delays in the permitting process by the host city might move this date into 2015.

12. Renovation of the Dag Hammarskjöld Library and South Annex Buildings remains suspended because of security concerns, as reported to the General Assembly during its sixty-seventh session. As requested by the General Assembly in section IV of its resolution 68/247, additional options related to the Dag Hammarskjöld Library and South Annex Buildings are discussed in section III of the present report.

Table 2
Projected schedule of the capital master plan

	As set out in A/62/364		*As set out in A/63/477*		*As set out in A/64/346*		*As set out in A/65/211*		*As set out in A/66/527*		*As set out in A/67/350*		*Current projection*		
Activity	*Start*	*Complete*	*Start*	*Complete*	*Start*	*Complete*	*Start*	*Complete*	*Start*	*Complete*	*Start*	*Complete*	*Start*	*Complete*	*Status*
Construction of North Lawn Building	Early 2008	Mid-2009	Early 2008	Mid-2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Mid-2008	Late 2009	Completed
Secretariat Building	Early 2009	Early 2012	Early 2009	Early 2012	Late 2009	Mid-2012	Early 2010	Mid-2012	Early 2010	Mid-2012	Early 2010	Mid-2012	Early 2010	Mid-2012	Completed
Conference Building	Mid-2009	Mid-2011	Mid-2009	Mid-2011	Late 2009	Late 2011	Early 2010	Early 2012	Early 2010	Late 2012	Early 2010	Late 2012	Early 2010	Early 2013	Completed
General Assembly Building	Mid-2011	Mid-2013	Mid-2011	Mid-2013	Late 2011	Late 2013	Early 2012	Late 2013	Early 2013	Mid-2014	Early 2013	Mid-2014	Mid-2013	Mid-2014	On track for completion as in the schedule set out in A/68/352
South Annex Building	Early 2011	Early 2012	Early 2011	Early 2012	Late 2011	Early 2013	Early 2012	Mid-2013	–	–	–	–	–	–	Suspended
Library Building	Early 2012	Early 2013	Early 2012	Early 2013	Early 2013	Late 2013	Early 2012	Late 2013	–	–	–	–	–	–	Suspended
Renovation of United Nations Headquarters[a]	Early 2008	Mid-2013	Early 2008	Mid-2013	Late 2008	Late 2013	Mid-2008	Late 2013	Mid-2008	Mid-2014	Mid-2008	Mid-2014	Mid-2008	Late 2014	

[a] Work at the 42nd Street and 48th Street entrances to the Service Drive might be delayed into 2015

III. Dag Hammarskjöld Library and South Annex Buildings

The General Assembly's request

13. In paragraphs 7 and 12 of section IV of its resolution 68/247, the General Assembly requested the Secretary-General to submit at the first part of the resumed sixty-eighth session the information specified in paragraph 50 of the report of the Advisory Committee on Administrative and Budgetary Questions, and also requested him to continue to interact with the host city as required in that regard with a view to determining available options for resolving the pending security concerns in relation to the Dag Hammarskjöld Library and South Annex Buildings, to assist the General Assembly in making a final determination on the issue within the context of the capital master plan, and to report thereon at the first part of the resumed sixty-eighth session of the Assembly.

14. As indicated in the eleventh annual progress report on the implementation of the capital master plan, the security issues impacting the Dag Hammarskjöld Library and the South Annex Buildings may be resolved, in the long term, within the context of the long-term accommodations requirements under consideration by the General Assembly. All viable options for long-term accommodation needs for United Nations Headquarters would incorporate the functions currently located in these two buildings.

Discussions with the host city and the host country

15. The Secretariat is continuing to make every effort to engage with the host city and the host country in order for the security concerns to be mitigated by temporary or long-term security measures to protect Headquarters.

16. The inauguration of a new mayoral administration of the host city in January 2014 presents a new opportunity for the resolution of the security concerns through productive discussions between the Secretariat and the host city.

17. On 5 February 2014, the Under-Secretary-General for Management and the Under-Secretary-General for Safety and Security sent a letter to the Permanent Representative of the host country to the United Nations, requesting that the host city take action to protect United Nations Headquarters by closing the off-ramp at 42nd Street to all but authorized vehicles. In addition, the Department of Management and the Department of Safety and Security requested a meeting with relevant officials of the host country and the host city to discuss this request. As of the date of preparation of the present addendum, responses to both requests were pending reply from the host country and the host city.

18. It is the intention of the Secretariat to continue to make every effort to reach an understanding on measures with the host country and the host city, with a view to mitigating security concerns along 42nd Street, thereby avoiding additional investments in relocating functions from the Dag Hammarskjöld Library and South Annex Buildings until a long-term solution is found.

Additional alternative options for interim solutions

19. If the discussion with the host city does not resolve the security concerns regarding the Dag Hammarskjöld Library and South Annex Buildings, alternative options will need to be considered together with those that the Secretary-General

has presented in the eleventh annual progress report on the implementation of the capital master plan. The additional alternative options requested by the General Assembly are presented below and include the following two assumptions: (a) options will be independent of the long-term accommodations strategy and will fit the displaced functions into the existing campus; and (b) the entire publishing function is now undertaken on a smaller and more streamlined basis, and therefore the former publishing area will be available for other uses.

South Annex functions

20. The Cafeteria may be moved, as an interim solution, to the 4th floor of the south-east corner of the Conference Building, used as a "Staff Café" before the capital master plan. It would have roughly 50 per cent of the seating available in the existing staff cafeteria. An adjacent servery could be created by converting a storage room, and a replacement storage room created in a small portion of the west terrace. Additionally, a location could be identified for a "grab and go" function to supplement the smaller cafeteria. The estimated cost of the two-part solution described above is $4 million.

21. A replacement for the interpreters' offices, lounge and touchdown space, as well as teachers' offices, would be created in the Third Basement, in an area formerly accommodating similar functions associated with the publishing area. Classrooms could similarly be created in the Third Basement, in a formerly open area. These spaces were all planned to be rebuilt as part of the post-storm Sandy reconstruction. The estimated cost of the changes contemplated in this paragraph is included in the cost estimate provided in paragraph 25 below.

Library functions

22. The Dag Hammarskjöld Library auditorium is a unique space, and one that could not be replicated within other buildings without significant alterations. However, new meeting spaces will be created as a result of the capital master plan, such as the new conference rooms 11, 12 and 13 in the General Assembly Building, which would partially mitigate the loss of the auditorium.

23. The Dag Hammarskjöld Library penthouse is also a unique space. In the renovation of the Conference Building, a new space was created that has been fitted out as the East Lounge, through a donation from the State of Qatar. The East Lounge could be used for some of the functions of the penthouse, and other events could be held in other newly renovated lounges and spaces. This newly created space would partially mitigate the loss of the penthouse.

24. The remaining Library functions can be seen as four types, the public function, office space, the internal function and the stacks:

(a) Public function. A group of public functions, such as the reading room, map library and reference collections, could be housed in the Second Basement, in a space accessible from the Conference Building elevators. This space was planned for Plant Engineering offices and the stockroom, and the Secretariat is exploring the feasibility of relocating these functions to locations in the Third Basement.

(b) Office space. Office space for Library staff and digitization is required and could be located in the Third Basement, in an area formerly accommodating

similar functions. This space would have close access to the elevators of the General Assembly Building.

(c) Internal functions. Internal Library support functions, such as receiving, sorting and staging, need to be near the stacks.

(d) Stacks. As for the actual Library collection, there are closed secure stacks and open stacks. Moving the stacks and creating new space for them is a challenge, both structurally and in terms of space availability. It may be that relocating the stacks will be a multi-step process. Owing to its potential for flooding, stacks could not be located in the Third Basement. Therefore, in order to relocate the stacks to the Second Basement,[2] the Secretariat is exploring the feasibility of relocating large functions such as the Plant Engineering Section shops from the Second Basement into the former publishing area in the Third Basement. Careful consideration would be necessary for the proper storage of the most specialized and fragile materials. It may be that the stacks have to stay in the Dag Hammarskjöld Library Building during the implementation of this major relocation.

25. The cost for this work discussed in paragraphs 21 to 24 above is estimated at $20.9 million. Approximately $3.3 million of this amount would be avoided if the post-storm Sandy restoration project in the basements were adjusted to accommodate these new uses. However, if any of the options presented above were selected for implementation, there is no provision for the related expenditure.

26. The alternative options presented above are provided in addition to other options to mitigate the loss of use of both buildings, but they cannot replace the convenience and access that the current buildings represent.

IV. Financial status of the capital master plan project

27. The General Assembly approved the application of the balance of interest income and the working capital reserve funds, as well as all future interest income, in the full amount of $159.4 million to the remaining cash balance for the corresponding remaining requirements of the project. As a result, the cash balance as at early February 2014 was $231.0 million inclusive of the balance of interest income and the working capital reserve funds. An amount of $1.6 million in assessments remains unpaid for the capital master plan for 2011 and prior periods.

28. The capital master plan project continues to utilize its cash balance to make payments for the associated costs and secondary data centre contracts. The current estimated projected cash flows are set out in table 3 below and take as their starting position the available cash balance as at early February 2014, equivalent to $231 million, which includes the accrued interest and working capital reserve funds.

29. The cash flow takes into account the most recent implementation schedule for the completion of the project, including contract amendments to be signed in the next few months. It can be seen that the cash balance is expected to be fully utilized towards the end of June 2014, which, without a decision by the General Assembly on the financing of the associated costs and costs for the secondary data centre, would cause the available cash to fall to a critically low level. Such a condition would

[2] Part of the Second Basement, which is above the flood plain, was built with greater loading capacity.

affect the ability of the Secretariat to deliver the completion of the renovated General Assembly Building on schedule, in time for the general debate in September 2014.

Table 3
Cash flow projections for the capital master plan, associated costs and the cost of the secondary data centre
(Millions of United States dollars)

Description	*Starting cash balance*	*Project and associated costs cash outflows*	*Remaining cash balance*
Cash balance as at early February 2014	231.0		231.0
By the end of February 2014		34.86	196.14
By the end of March 2014		45.41	150.72
By the end of April 2014		58.43	92.29
By the end of May 2014		55.19	37.10
By the end of June 2014		36.78	0.32
By the end of July 2014		35.15	(34.83)
By the end of August 2014		25.07	(59.89)
By the end of September 2014		20.33	(80.22)
By the end of October 2014		19.00	(99.23)
By the end of November 2014		16.39	(115.61)
By the end of December 2014		13.03	(128.64)
By the end of January 2015		9.22	(137.86)
By the end of February 2015		7.89	(145.75)
By the end of March 2015		4.61	(150.37)
By the end of April 2015		1.92	(152.29)
By the end of May 2015		1.53	(153.82)
By the end of June 2015		1.53	(155.34)

30. The cash balance in early February 2014 was higher than projected owing to lower billing by the Construction Manager caused by a shift in a monthly workforce pattern because of the unusually cold weather and high quantity of snowfall in December 2013 and January 2014 at Headquarters, which affected certain construction tasks and the rate of labour usage. Another factor was the reduction of administrative and project support personnel by the Construction Manager, which affected the processing time for invoices. The third contributing factor was a delay in operational and financial closure of contracts and release of retainage held for the work completed in the Secretariat and Conference Buildings. It is expected that the active billing will take place between February and May 2014 for work completed, and the backlog will be cleared as the workforce on site has increased significantly by early February 2014 and will continue to grow as the construction work in the General Assembly Building progresses in the next few months.

31. Following the decision of the General Assembly to approve the application of the interest income and the working capital reserve funds in the amount of

$159.4 million, the capital master plan project budget and funding can now be updated as shown in table 4 below.

Table 4
Financing for the capital master plan project, as at February 2014
(Millions of United States dollars)

Description	*Amount*	*References*
Total appropriations from 2004 to 2011	1 876.7	Resolutions 57/292, 59/295, 60/248, 60/256, 60/282, 61/251, 62/87 and 64/228
Interest income and the working capital reserve funds	159.4	Resolutions 66/258, 67/248 and 68/247
Voluntary contributions	113.9	Received under the donations programme and towards the enhanced security upgrades project
Total funding available (including the enhanced security upgrades project)	**2 150.0**	
Less		
Projected cost to completion of the capital master plan project (including the enhanced security upgrades project)	2 215.0	
Unfunded portion of the project scope	65.0	

32. The overall project budget and funding authorized by the General Assembly totals $2,150.0 million. The anticipated project cost is $2,215.0 million. The unfunded portion of the project scope of $65.0 million reflects the cost of the renovation of the Dag Hammarskjöld Library and the South Annex Buildings, which remain in the current scope of the project as decided by the General Assembly.

33. The interest income accrued on the balance of capital master plan funds as at 31 December 2013 totalled $113.3 million, an increase of $800,000 compared with the level reported in the eleventh annual progress report. Since June 2013, an additional $1.1 million in cash has been received in respect of pledges and voluntary contributions.

V. Financial status of the capital master plan project, associated costs and the secondary data centre (consolidated)

34. The status of cumulative expenditure for associated costs is set out in addendum 3 to the report (A/68/352/Add.3). The amount presently stands at $140.3 million.

35. The cost of the secondary data centre is $19.5 million, which, after savings on prior-period obligations of $0.3 million are deducted, gives rise to a final cost of $19.2 million. The support account for peacekeeping operations contributed an amount of $4.2 million to the cost of the secondary data centre. Consequently, the net cost borne by the capital master plan is $15.0 million.

36. The consolidated project (including associated costs and the secondary data centre) financing requirements have been updated as shown in table 5 below.

Table 5
Financing for the capital master plan project, associated costs and the secondary data centre (consolidated), as at February 2014

(Millions of United States dollars)

Description	*Amount*	*References*
Total appropriations from 2004 to 2011	1 876.7	Resolutions 57/292, 59/295, 60/248, 60/256, 60/282, 61/251, 62/87 and 64/228
Commitment authority	317.8	Resolutions 66/258, 67/248 and 68/247
Voluntary contributions	113.9	Received under the donations programme
Contributions from the support account	4.2	Resolutions 63/269 and 64/228
Total spending authority (consolidated)	**2 312.6**	
Less		
Projected cost to completion of the capital master plan project	2 215.0	
Final associated costs expenditure	140.3	
Final secondary data centre expenditure	19.2[a]	
Total cost (consolidated) to completion[b]	**2 374.5**	
Difference	61.9	

[a] The final secondary data cost is $19.5 million less savings on prior-period obligations of $0.3 million, i.e., $19.2 million. The amount borne by the capital master plan is $19.2 million less the contribution from the support account for peacekeeping operations of $4.2 million, i.e., $15.0 million.

[b] The cost to completion is presented with the exception of the suspended work on the Dag Hammarskjöld Library and the South Annex Building.

VI. Financing of the associated costs and the secondary data centre

37. As reflected in table 5 above, the total of associated costs, $140.3 million, and the cost of the secondary data centre, $15.0 million (net of the contribution from the support account of $4.2 million), amounts to $155.3 million. The aforementioned costs were not included in the original scope of the capital master plan. As approved by the General Assembly, these costs have been incurred and borne by the cash funds of the capital master plan project since 2008.

38. The Secretary-General reiterates that these costs cannot be absorbed within the approved budget of the capital master plan. A decision on the financing of cumulative associated costs and the cost of the secondary data centre is required at the first resumed session of the General Assembly in 2014, otherwise the project

will not be able to proceed to completion in 2014, including the completion of the renovation of the General Assembly Building and the use of the General Assembly Hall for the general debate in September 2014. In the Secretary-General's view, a reasonable level of operating cash is necessary to safely proceed to the completion of the General Assembly Building. The absence of a reasonable level of operating cash would present significant risk to both the project and the reputation of the Organization.

39. According to the updated cash flow projections, which are reflected in table 3 above, the cash funds of the capital master plan will be exhausted by June 2014.

40. In this regard, the Secretary-General therefore reiterates his request to the General Assembly to take a definitive funding decision by the end of the first part of the resumed sixty-eighth session.

41. An analysis of the cumulative associated costs is presented in addendum 3 to the report (A/68/352/Add.3).

VII. Actions to be taken by the General Assembly

42. **The General Assembly is requested to:**

(a) **Take note of the present addendum and of progress made since the issuance of the eleventh annual progress report on the implementation of the capital master plan;**

(b) **Request the Secretary-General to continue to seek resolution of the perimeter security concerns with the host country and the host city;**

(c) **Decide on the financing of the cumulative associated costs and the cost of the secondary data centre at the first part of the resumed sixty-eighth session of the Assembly.**

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Programme budget for the biennium 2014-2015

Updated information on final expenditure for associated costs for the period from 2008 to 2013

Report of the Secretary-General

Summary

The present addendum is submitted pursuant to General Assembly resolution 68/247, section IV, paragraph 20, wherein the Secretary-General was requested to submit to the Assembly, at the first part of its resumed sixty-eighth session, the final expenditure for associated costs for the period from 2008 to 2013. Furthermore, it will be recalled that the Assembly endorsed the recommendation of the Advisory Committee on Administrative and Budgetary Questions (A/68/551, para. 62) to consider the financing of the associated costs at the first resumed session in 2014.

The Secretary-General provides an update on developments since the issuance of the eleventh annual progress report on the implementation of the capital master plan and addendum 1 thereto (A/68/352 and Add.1), and in this regard reports that expenditure for associated costs for the period from 2008 to 2013 stands at $140,253,300 as at 10 February 2014.

The costs of activities associated with the capital master plan ("associated costs"), as well as the cost of the secondary data centre ($15.0 million), were not included in the original scope of the capital master plan. As approved by the General Assembly, these costs have been incurred and borne by the cash funds of the capital master plan project since 2008.

The Secretary-General reiterates that these costs cannot be absorbed within the approved budget of the capital master plan. A decision on the financing of cumulative associated costs and the cost of the secondary data centre is required, since without the replenishment of the cash resources, the project will not be able to proceed to completion in 2014.

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I. Introduction

1. The Secretary-General reported to the General Assembly (see A/68/352/Add.1, table 1) that the cumulative cost of activities associated with the capital master plan for the period from 2008 to 2013 would amount to $141,408,600. This calculation was based on actual expenditure to the end of June 2013 together with estimated costs for the remaining six months of the year 2013.

2. In its report (A/68/551, para. 62), the Advisory Committee on Administrative and Budgetary Questions recommended, given that expenditure would continue to be incurred until the end of 2013 and final expenditure related to the associated costs could not be fully ascertained at that stage, that the General Assembly consider the financing of the associated costs at the first resumed session in 2014. The Assembly endorsed the recommendation and, in this regard, further requested the Secretary-General to submit to it, at the first part of its resumed sixty-eighth session, the final expenditure for associated costs for the period from 2008-2013 (resolution 68/247, sect. IV, para. 20).

II. Status of final expenditures for the period from 2008 to 2013

3. The stated reporting period for associated costs ended on 31 December 2013. All departments and offices have ceased activities related to the capital master plan project, with the exception of the Office of Central Support Services, which, because of delays in the schedule of the capital master plan largely owing to storm Sandy, will need to undertake handover activities in 2014, which were previously planned for 2013. The cost of these activities (approximately $179,500 for one general temporary assistance position at the P-4 level for nine months) had been included in previous estimates for 2013. Consequently it does not represent an increase in the overall costs, but simply a deferral of the activities to 2014.

4. While the activities associated with the capital master plan have concluded (aside from the foregoing exception), the financial period end closing of accounts and records is still under way and will continue through March 2014, which means that records of expenditure are still being reconciled.

5. In addition to the usual financial period end closing of accounts and records being performed, it should be noted that at the end of 2013, a number of general temporary assistance positions in support of the capital master plan ceased to be funded. The residual contract payments, including separation payments (where applicable), will need to be finalized for those staff not remaining with the Organization, for which an amount of $314,000 has been retained.

6. Allowing for the above-mentioned factors, the Secretary-General can report that cumulative expenditure for the period from 2008 to 2013, as at 10 February 2014, stands at $140,253,300. This can be summarized as follows:

- Expenditure of $143,351,100, comprising disbursements of $127,478,200 and obligations (commitments) of $15,379,400 and provision for pending expenditures yet to be booked of $493,500; *less*
- Cancelled (liquidated) obligations from prior periods of $3,097,800.

7. Cancelled obligations represent commitments that were entered into with third-party contractors in previous years, which have subsequently been released or reduced with no disbursement arising on the part of the Organization in cases where actual cost of works completed were lower than values applied at a contract award stage. Of the amount of $3,097,800 indicated above, $2,406,700 relates to agreements with contractors for the commissioning of the permanent broadcast facility and media asset management system, $482,600 relates to office furniture contracts, and the balance relates to numerous smaller amounts across all offices and departments ($208,500). As the public broadcast facility and media asset management system contracts are administered as guaranteed maximum price contracts, the released commitments from prior periods have been reprogrammed, during 2013, into commitments for continuing works and activities.

8. Based on the above analysis, the final expenditures for associated costs are $140,253,300 as compared to the previously reported $141,408,600, which represents a decrease in the amount of $1,155,300.

9. Final expenditure for associated costs, as currently recorded, is presented in tables 1 to 3 below, analysed by year and by department and office. The excess of final expenditure in 2013 by the Office of the Capital Master Plan is a result of commitments released for a portion of guaranteed maximum price contracts completed in the Conference Building and recommitted for activities in the General Assembly Building that will continue until its completion.

Table 1
Chronology of associated cost requirements, 2008-2013
(United States dollars)

Period	*General Assembly resolution*	*Amount approved by the General Assembly*	*Per A/68/352/Add.1 expenditure*	*Expenditure*
2008-2009	63/270	30 272 400	18 373 200	18 373 200
2010	64/228	42 069 695	13 636 800	13 636 800
2011	65/269	58 871 305	61 499 000	61 499 000
2012	66/258	8 259 100	18 950 300	18 950 300
2013	67/246	3 666 100	28 949 300	30 891 800
Total		**143 138 600**	**141 408 600**	**143 351 100**
Less cancelled prior-period obligations				**(3 097 800)**
Net total				**140 253 300**

Table 2

Summary of associated cost requirements, by department and office

(Thousands of United States dollars)

Department office	*Actual expenditure 2008-2011* (a)	*Actual expenditure 2012* (b)	*Per A/68/352/Add.1 projected 2013* (c)	*Expenditure 2013* (d)	*Total 2008-2013* (e) = (a) + (b) + (d)
Department for General Assembly and Conference Management	2 272.9	638.2	–	–	2 911.1
Department of Public Information	25 772.0	287.1	–	(2.0)	26 057.1
Office of Central Support Services	21 108.6	3 746.4	3 549.9	3 549.9[a]	28 404.9
Office of the Capital Master Plan	18 146.2	7 784.6	22 208.5	24 064.6	49 995.4
Office of Information and Communications Technology	2 035.5	626.8	–	4.6	2 666.9
Construction (Office of Information and Communications Technology)	5 446.9	81.4	581.5	665.3	6 193.6
Department of Safety and Security	18 726.9	5 785.8	2 609.4	2 609.4[b]	27 122.1
Total	**93 509.0**	**18 950.3**	**28 949.3**	**30 891.8**	**143 351.1**
Less prior-period obligations released	**(3 097.8)**				**(3 097.8)**
Net total	**90 411.2**				**140 253.3**

[a] Includes general temporary assistance in the amount of $179,500 for 2014 (see paragraph 3 above).

[b] Includes amount of $314,000 for pending separation payments, etc., to be booked (see paragraph 5 above).

Table 3

Variance analysis for 2013 estimated costs, by department and office

(Thousands of United States dollars)

Department office	*Per A/68/352/Add.1 projected 2013* (a)	*Expenditure 2013* (b)	*Variance (over) under expenditure 2013* (c) = (a)-(b)
Department for General Assembly and Conference Management	–	–	–
Department of Public Information	–	(2.0)	2.0
Office of Central Support Services	3 549.9	3 549.9	–
Office of the Capital Master Plan	22 208.5	24 064.6	(1 856.1)

Department office	*Per A/68/352/Add.1 projected 2013* (a)	*Expenditure 2013* (b)	*Variance (over) under expenditure 2013* (c) = (a)-(b)
Office of Information and Communications Technology	–	4.6	(4.6)
Construction (Office of Information and Communications Technology)	581.5	665.3	(83.8)
Department of Safety and Security	2 609.4	2 609.4	–
Total	**28 949.3**	**30 891.8**	**(1 942.5)**

III. Actions to be taken by the General Assembly

10. The actions to be taken by the General Assembly are contained in section VII of addendum 2 to the eleventh annual progress report on the implementation of the capital master plan (A/68/352/Add.2).